Utility concerns remain a high priority

Representative Fry continues push for accountability

Dear Friends:

Indiana's electric utilities continue to draw the attention of consumer-protection advocates in the Indiana General Assembly. Electric utility rates remain too high for



Rep. Fry on the House floor.

Hoosiers on low or fixed incomes. This is a a general consensus widely held by most consumers. And nearly all of us have had a complaint about the unresponsive customer service we sometimes receive from utilities.

In fact, the effort to keep utility rates down and to improve utility customer service led to the introduction and passage of several proposals in the Democrat-controlled Indiana House of Representatives during the 2002 session. Unfortunately for consumers, the Republican-controlled Indiana Senate did not act favorably upon these measures.

I will not allow these issues to disappear no matter how many times the Indiana Senate tries to ignore them. Since Senate leaders failed to act this year, I will introduce this legislation again and again until they understand the severity of this issue to consumers.

This should not be a problem that divides legislators along partisan lines. In fact, several of my Republican colleagues in the House have voted in favor of this legislation each time we have considered it. The utility industry operates under the arrogant assumption that a person who struggles to even pay their utility bill each month has no chance of forcing them to change their ways. I say that together we can and we will make a difference.

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House passes several key bills; Senate ignores need for action

Accountability of utilities

The 2002 session's primary utility consumer protection legislation was outlined in House Bill 1116, which I authored. This legislation was filed after months and months of discussions initiated to a significant degree by the failure of utility companies to adequately and appropriately respond to the problems, complaints and concerns shared by consumers across Indiana. More specifically, a series of news reports involving Ameritech Indiana and IPALCO focused public attention upon the helpless plight of utility consumers.

As passed by the Indiana House, House Bill 1116 would have granted the Indiana Utility Regulatory Commission (IURC) greater authority in imposing fines against utilities that failed to comply with state laws. These fines would have been paid to consumers in the form of rebates to those customers harmed by the utility's violations.

Mergers

House Bill 1116 would also have protected consumer

interests in utility actions involving mergers. Utility mergers tend to please stockholders interested in a utility's "bottom line."

While it is true that larger companies are better situated to absorb the negative impacts of poor management or erroneous forecasting, these goals are often achieved at the expense of customer satisfaction and a loss of local control.



Rep. Fry discusses legislation with Speaker John R. Gregg (D-Sandborn).

Merchant Power Plants

Speaking of "local control," another key provision of House Bill 1116 would have granted the IURC authority over merchant power plants. These are gas-fired turbine generating stations that produce electricity to be sold whole-sale—usually in other states.

Seven of these merchant power plants were under consideration as this bill moved through the legislative process. Our goal was to ensure that local citizens were given input in determining the need and desirability of these plants.

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Craig R. Fry Indiana State Representative

Utilities in Indiana







Rep. Fry reports on efforts to reform utilities in the 2002 legislative session

